

Dear Colleague,

Kids matter. Now let's join to give them a voice and ensure they are protected. *Medicaid is the largest payer for children's health care in our nation.* I am asking for you to join me in efforts to improve the American Health Care Act (AHCA) for the more than 30 million children who receive their health care coverage through Medicaid. My proposal would exempt children from the Medicaid cap and block grants under the AHCA.

Long before the enactment of Obamacare, Medicaid was already the largest source of funding for children's health in the nation. Millions of kids, many with significant health care needs including serious disabilities, depend on Medicaid. To protect this safety net program, Medicaid should be reformed and made more secure, but the AHCA as currently structured will disproportionately impact children's health care and could limit access to care.

Health care costs for children under Medicaid are relatively low; they are already funded at the lowest per beneficiary levels. Under the AHCA, future federal funding for the program would be capped based on 2016 spending adjusted for medical inflation. If applied to all children, however, over time the cap would create a large and growing shortfall to Medicaid for some of the program's most vulnerable participants. A reduction of this magnitude will put children's access to care at risk. This risk will likely be acute in areas where access to care is already a challenge – including rural and medically underserved areas of the country.

I am asking you to support my efforts to exempt children, including children with disabilities, from the proposed Medicaid per capita cap and block grants under the AHCA. Specifically, my proposal would:

- Protect all kids by adding kids and kids in the disability category to the list of groups already exempted from per capita caps. Exempted populations are listed in Section 1903A(e)(1) of the AHCA and include some CHIP kids, Indian health service, breast and cervical cancer eligible individuals, and partial-benefit enrollees.
- If states are allowed to choose to block grant their Medicaid program funding rather than transition to per capita caps, it would also exempt kids from block granting and maintains their current funding under the FMAP system and current protections.
- Put all Medicaid kids in a single category. The AHCA creates a general category for kids and a category for disabled individuals that include both disabled kids and disabled adults. Children are a distinct population from adults. Funding dedicated to children must be identifiable, allowing for an accurate picture of the federal and state investment in kids as well as the unique needs of this population.
 - To ensure no child is inadvertently harmed by this change, kids in the disability category would maintain eligibility for the enhanced benefits and services currently provided under the disability category. Putting all kids in a single category allows for the unique needs of kids to be better identified, addressed, and funded.

A fundamental reason the Medicaid program exists is to protect access to care for underserved kids. Please help me make sure they don't fall through the cracks.

Sincerely,

Jaime Herrera Beutler
Member of Congress